

FACT SHEET | MinnesotaCare Buy-In

Better Health Care Choices – Lower Prices – No Ongoing Cost to Taxpayers

In 1992, Republican Governor Arne Carlson and a bipartisan coalition of legislators created MinnesotaCare – a health insurance plan that some eligible Minnesotans could choose to purchase for themselves and their families. Today, about 100,000 eligible Minnesotans have chosen MinnesotaCare for the high-quality health coverage they need, at prices they can better afford. Twenty-five years later, Governor Mark Dayton is seeking to build on the bipartisan successes of MinnesotaCare. To lower prices for an estimated 100,000 more Minnesotans, Governor Dayton wants to give everyone who buys their insurance on the individual health insurance market the choice to buy-into MinnesotaCare. Minnesotans who choose “MinnesotaCare Buy-In” would pay their own way – meaning the cost of their premiums is expected to pay for their coverage, without additional ongoing costs to Minnesota taxpayers.

While the Minnesota Legislature did not approve the MinnesotaCare Buy-In during the 2017 legislative session, they will have the opportunity to again consider the Governor’s proposal in 2018.

Five Things You Need to Know About “MinnesotaCare Buy-In”

1	MinnesotaCare Works	A Bipartisan Solution that Has Worked for 25 Years – Since 1992, MinnesotaCare has offered high-quality, lower-cost health coverage for about 100,000 Minnesotans annually. Governor Dayton’s proposal would continue MinnesotaCare’s bipartisan success – giving all Minnesotans the option to buy-into MinnesotaCare instead of purchasing insurance in the individual market.
2	Enrollees Pay Their Own Way	This is Not Free Health Care – MinnesotaCare is not free. It is a health insurance policy similar to those offered by commercial health plans. The premiums paid by “MinnesotaCare Buy-In” enrollees would pay for the cost of their policies, just like any other plan. The state would have upfront costs for implementation of the program. We expect the premiums paid by consumers to cover the costs of the program.
3	Still Eligible for Tax Credits	Saving Thousands of Dollars Each Year with Lower-Cost Coverage, Federal Tax Credits – Last year’s proposal projected that the MinnesotaCare Buy-In would have cost, on average, an estimated \$469 per person per month for 2018 coverage. That was about 13 percent less than the average projected premiums for commercial health plans in the prior year. In the next couple of months, the state should be able to provide updated estimates of the MinnesotaCare Buy-In premiums for 2019. We expect these estimates to be lower than the average cost of commercial health plans. Under this proposal, Minnesotans who purchase the MinnesotaCare Buy-In would also be eligible for federal tax credits through MNSure. Last year, 64 percent of MNSure enrollees received tax credits, averaging about \$621 per month, or \$7,457 per year.
4	Better Access to Care	MinnesotaCare Provides Better Access to More Doctors – Limited health insurance options in Greater Minnesota make it difficult for some Minnesotans to choose and keep their own doctors. But the broader network of physicians and care providers available through

		MinnesotaCare would offer more families, all across Minnesota, a real option to choose their own doctors.
5	Sustainable and Competitive	A Sustainable Option with No Expected Ongoing Costs to Taxpayers – After a one-time startup cost, the MinnesotaCare Buy-In should be funded entirely by the premiums of those who buy MinnesotaCare coverage, with no additional ongoing costs for Minnesota taxpayers. MinnesotaCare has already proven it is more efficient, competitive, and accountable than many commercial health plans.

Saving Minnesotans Money

More than 250,000 Minnesotans have gained access to health insurance since 2014, who did not have it before. Now, our uninsured rate is the second-lowest in the nation, with 96 percent of Minnesotans covered. But steep premium increases and high deductibles have placed a big financial burden on too many Minnesotans. Governor Dayton’s “MinnesotaCare Buy-In” plan would offer Minnesotans better health care choices and lower prices – with no expected ongoing cost to taxpayers.

- **Anyone Could Buy-In** – Right now, only a small amount of Minnesotans are eligible for MinnesotaCare. Under Governor Dayton’s plan, anyone who earns more than 200 percent of the federal poverty level (i.e. a family of four earning over \$49,200 per year) could choose “MinnesotaCare Buy-In.”
- **Quality Health Coverage for \$469 Per Month** – Minnesotans who purchased the MinnesotaCare would have received high-quality health coverage for an estimated \$469 per month in 2018, on average. That is 13 percent (\$69 per month) less than the average statewide premium of \$538 for commercial health plans in 2017. Under the Governor’s proposal, families would have saved an estimated \$838 per person, per year on their premiums in 2018.
- **Saving Money for Minnesotans by the End of This Year** – If the Legislature enacts this proposal by March 1st, 2018, Minnesotans could purchase “MinnesotaCare Buy-In” coverage by the 2019 open enrollment period.